

# **Legislation governing foundations and endowment funds**

## **Abstract**

The diploma thesis deals with the topic of foundations and endowment funds with a focus on a current legislation, that is reincorporated into the general legislation after the recodification of the private law.

Brief introduction to the topic of foundations and endowment funds is followed by the chapter containing a historical analysis of foundations on the Czech territory since the 9<sup>th</sup> century. Significant changes, which the foundations went through and caused their present form, are highlighted.

The third chapter is the most important and the longest part of the thesis, as it focuses on a current legislation. The chapter defines the institutes of foundation and endowment fund in the contemporary society and it is divided into the two subchapters that concerns both endowment entities separately. The diploma thesis defines the purpose, property and bodies. There is further clarified the establishment and formation process and the reverse dissolution and termination process of these legal entities. In addition, the chapter formulates the Public Benefit Status and the conclusion is devoted to the new terminology brought by the recodification.

It is followed by the fourth chapter, which compares a current legislation with the previous one, that was contained in the special legal act. The thesis identifies both the specific changes and the overall transformation of the theoretical attitude to foundations and endowment funds. The chapter ends with the overview of relevant case law.

Even the fifth chapter is based on the comparison. It is called The Comparison of Czech and German legislation of foundations. It deals both the differences and similarities as the chapter's title suggests. Both countries were in last years united under the strong liberalizing tendencies.

The purpose of this thesis is to provide a comprehensive picture of foundations in the Czech Republic, to identify problematic issues, to analyse the benefits of the recodification and to define the purpose of the case law in the future.